



November 16, 2007

MEMORANDUM

TO: Department Directs and Elected Officials

FR: Mollie Anderson, Director

RE: Mileage Reimbursement Policy

After thoroughly researching the mileage reimbursement policy and gaining input from the Governor's office, departments, and union representatives, the mileage reimbursement policy will change. Effective January 1, 2008, the mileage reimbursement rate for driving a privately owned motor vehicle for state business will be raised to a rate of \$0.39 per mile. The rate shall be used regardless of availability of vehicles available from the State motor pool.

The change in the policy for the increase in the mileage reimbursement rate is based on these reasons:

- Research showed Iowa had one of the lowest reimbursement rates;
- Increased costs of fuel created a hardship on employees who travel for state business, especially with the increase of fuel prices;
- Agency support for the increased rate.

Also, effective January 1, 2008, the authority delegated to officials and department heads by the DAS-GSE Fleet Services for the use of private vehicles has been reduced from 15,000 to 12,000 miles annually on a fiscal year basis; see revised DAS Accounting Policy and Procedure 210.130. Because this change is being implemented for the last half of this fiscal year, the limit for January 1 – June 30, 2008, will be a maximum of 6,000 miles, subject to a maximum total of 15,000 miles for the entire fiscal year. (The 15,000 mile provision will only affect those employees who have been reimbursed for 9,000 miles or more from July 1 to December 31, 2007.) The 12,000 mile limit on a fiscal year basis will take full affect on July 1, 2008, the start of fiscal year 2009. This limit does not apply to exceptions granted for those employees who have waivers through DAS/GSE Fleet Services based on need for specialized accommodations.

DAS is committed to help manage vehicle usage costs. DAS/GSE-Fleet Services will work with departments to provide information on the use of the state fleet to help offset agency travel budget increases. DAS/GSE-Fleet Services is available for the consultation on the costs of renting vehicles from the motor pool and may be contacted at 515-281-7702.

The full policy will be sent next week to all financial managers. If you have questions, please contact me.